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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:) Case No. 08-35653 (KRH)
)
CIRCUIT CITY STORES, INC., <u>et al.</u> ,) Chapter 11
)
Debtors.) (Jointly Administered)
)

**STIPULATION BETWEEN ALFRED H. SIEGEL, AS TRUSTEE OF
THE CIRCUIT CITY STORES, INC. LIQUIDATING TRUST AND
NYKO TECHNOLOGIES, INC. TO CONSOLIDATE
OBJECTION TO CLAIM WITH PENDING ADVERSARY PROCEEDING**

It is hereby stipulated by and between Alfred H. Siegel, the duly appointed trustee
of the Circuit City Stores, Inc. Liquidating Trust (the "Trustee") and Nyko Technologies, Inc.
("Nyko") as follows:

WHEREAS, on September 4, 2009, Nyko filed administrative Proof of Claim No. 14596 in the chapter 11 cases of Circuit City Stores, Inc., *et al.* (the “Debtors”).

WHEREAS, on October 13, 2009, the Debtors filed the *Debtors’ Fiftieth Omnibus Objection to Certain Administrative Expenses and Motion for (i) Authority to Setoff Against Such Expenses and (ii) A Waiver of the Requirement That the First Hearing on Any Response Proceed as a Status Conference* (the “Fiftieth Omnibus Objection”) [Docket No. 5213] in which it objected to Claim No. 14596 based upon the Debtors’ alleged right to setoff against such claim \$205,375.78 in receivables due from Nyko.

WHEREAS, on November 4, 2009, Nyko filed its *Response of Nyko Technologies, Inc. to Debtors’ Fiftieth Omnibus Objection to Certain Administrative Expenses* (the “Response”) [Docket No. 5494].

WHEREAS, on November 8, 2010, the Trustee filed *The Liquidating Trustee’s Complaint to Avoid and Recover Preferential Transfers and Other Amounts Owing to the Estate and Objection to Claim Nos. 1307, 1785 and 14596* (the “Complaint”) initiating an adversary proceeding, designated Adversary Proceeding No. 10-03308 (the “Adversary Proceeding”), against Nyko seeking recovery of a preferential transfer and other amounts owing the estates and objecting to Claim No 1785 as being overstated, to Claim No. 14596 as being overstated by \$46,043.65 on several bases and also subject to setoff in the amount of \$205,375.78 and to Claim Nos. 1307, 1785 and 14596 on the basis set forth in 11 U.S.C. § 502(d).

WHEREAS, the setoff objection is common to the Fiftieth Omnibus Objection, the Response and the Complaint.

WHEREAS, the Trustee and Nyko would like to avoid any unnecessary duplication with respect to Claim No. 14596, the Fiftieth Omnibus Objection, the Response and the Complaint.

WHEREAS, in the interest of judicial economy and in an effort to contain legal expense, the Trustee and Nyko have agreed to consolidate the Fiftieth Omnibus Objection as it relates to Claim No. 14596, the Response, and the Complaint, for all purposes.

IT IS THEREFORE STIPULATED AND AGREED as follows:

1. The Fiftieth Omnibus Objection solely as it relates to Claim No. 14596, the Complaint, and the Response are hereby consolidated for all purposes, and shall be deemed to constitute a single adversary proceeding under Adversary No. 10-03308; and
2. This Stipulation shall be effective upon entry of an order by the United States Bankruptcy Court for the District of Eastern District of Virginia approving the Stipulation.

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